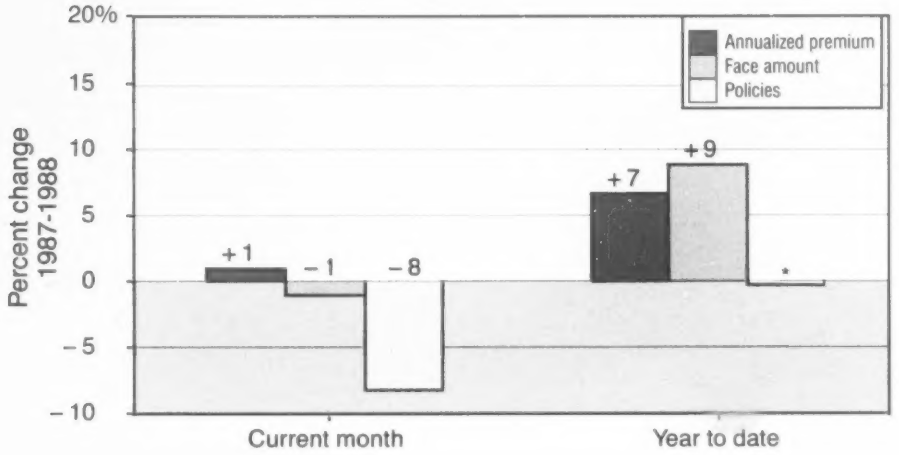
# MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

## Individual Sales

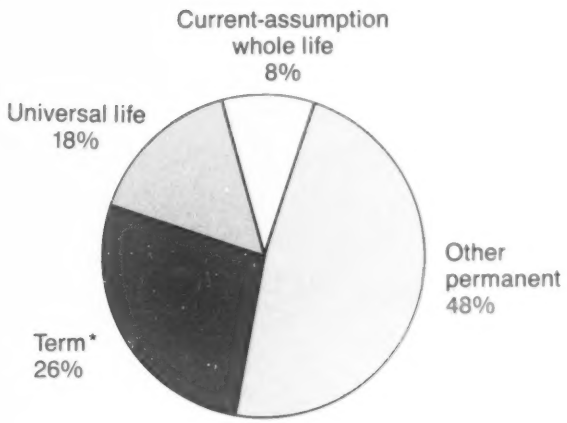
### 37 Companies



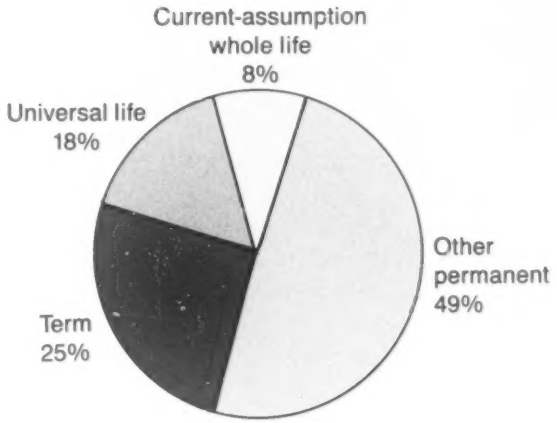

*less than ½ of – 1 percent

### Annualized Premium Market Share by Product

25 Companies Representing 77 Percent of July Sales




**Current month**




**Year to date**

*For the 13 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 15 percent of total July 1988 sales.

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# Individual Sales (cont.)

## Sales Comparisons with Last Year

### Ratio 1988/1987

| | | Annualized premiums | Face amount | Number of policies |
|---|---|---|---|---|
| Term (21 cos.) | Month | 110% | 106% | 99% |
| | Year to date | 117% | 120% | 114% |
| Universal life (19 cos.) | Month | 133% | 139% | 124% |
| | Year to date | 146% | 152% | 137% |
| Current-assumption whole life (11 cos.) | Month | 84% | 77% | 84% |
| | Year to date | 83% | 78% | 84% |
| All other permanent (20 cos.) | Month | 81% | 80% | 80% |
| | Year to date | 97% | 97% | 93% |

## Policy Characteristics by Product

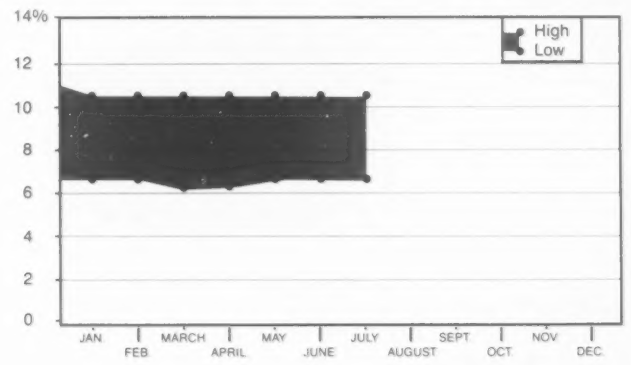
| | | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|---|
| Term (21 cos.) | Month | $ 3.68 | $152,909 | $562 |
| | Year to date | $ 3.49 | $149,875 | $524 |
| | Year-to-date ratio | 97% | 105% | 102% |
| Universal life (19 cos.) | Month | $ 8.38 | $ 90,329 | $757 |
| | Year to date | $ 8.69 | $ 87,954 | $764 |
| | Year-to-date ratio | 96% | 112% | 107% |
| Current-assumption whole life (11 cos.) | Month | $ 6.92 | $ 54,679 | $378 |
| | Year to date | $ 6.62 | $ 55,244 | $366 |
| | Year-to-date ratio | 107% | 93% | 99% |
| All other permanent (20 cos.) | Month | $11.14 | $ 50,973 | $568 |
| | Year to date | $10.93 | $ 50,058 | $547 |
| | Year-to-date ratio | 99% | 105% | 104% |
| Total sales (37 cos.) | Month | $ 6.90 | $ 87,406 | $603 |
| | Year to date | $ 6.73 | $ 83,040 | $559 |
| | Year-to-date ratio | 98% | 109% | 108% |

## Universal Life

### Interest Rates This Month

| | |
|---|---|
| Median | 9.0% |
| Range | 6.5%–10.5% |
| Range of middle 50% | 8.2%–9.5% |
| Number of cos. reporting rates | 15 |
| Number of plans reported | 35 |
| Number of new plans | 0 |
| Number of plans dropped | 0 |
| Number of plans showing . . . | |
| No change | 19 |
| Increases | 15 |
| Average increase | 0.3% |
| Decreases | 1 |
| Average decrease | 0.1% |

### 1988 Interest Rate Range



# Individual Sales (cont.)

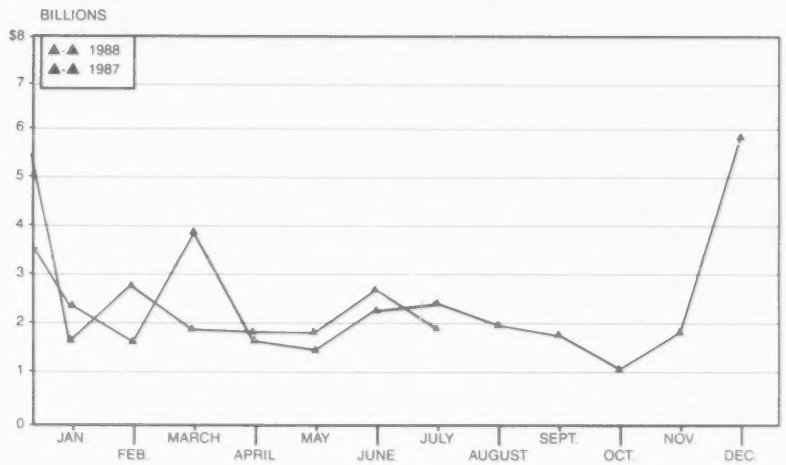
## Contributors' Growth Rates

### Change in Annualized Premium
Year to Date

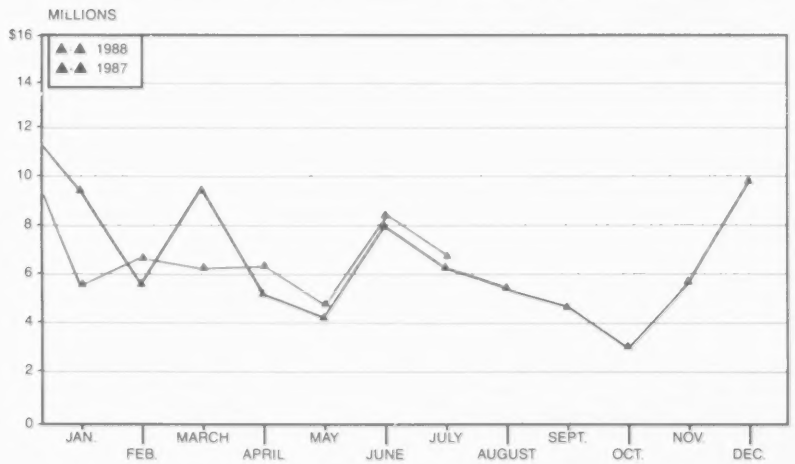
| Percent change 1987–1988 | Number of . . . Group I cos. | Group II cos. | Group III cos. | All cos. |
|---|---|---|---|---|
| 21% or over | 3 | 3 | 8 | 14 |
| 11% – 20% | 0 | 3 | 3 | 6 |
| 1% – 10% | 4 | 2 | 1 | 7 |
| – 9% – 0 | 1 | 4 | 0 | 5 |
| – 19% – – 10% | 2 | 1 | 0 | 3 |
| – 20% or under | 0 | 1 | 1 | 2 |

# Group Sales

## Face Amount – 16 Companies




## Annualized Premium – 13 Companies



# July Sales

| | | Annualized premium (000) | | Face amount (000) | | Number of policies | |
|---|---|---|---|---|---|---|---|
| | | 1987 | 1988 | 1987 | 1988 | 1987 | 1988 |
| **Total ordinary life** | **Month** | **$ 42,251** | **$ 42,797** | **$ 6,234,213** | **$ 6,199,033** | **77,499** | **70,922** |
| | **Year to date** | **$291,048** | **$311,934** | **$42,520,489** | **$46,357,679** | **559,787** | **558,259** |
| Ordinary— Group I | Month | $ 24,864 | $ 25,300 | $ 3,309,214 | $ 3,359,102 | 45,250 | 41,846 |
| | Year to date | $173,882 | $180,172 | $23,054,752 | $24,232,871 | 342,119 | 324,760 |
| Ordinary— Group II | Month | $ 13,798 | $ 13,194 | $ 2,300,258 | $ 2,080,799 | 25,005 | 21,172 |
| | Year to date | $ 92,279 | $100,464 | $15,042,626 | $16,424,783 | 165,774 | 170,612 |
| Ordinary— Group III | Month | $ 3,589 | $ 4,303 | $ 624,741 | $ 759,132 | 7,244 | 7,904 |
| | Year to date | $ 24,887 | $ 31,298 | $ 4,423,111 | $ 5,700,025 | 51,894 | 62,887 |
| **Group life** | **Month** | **$ 6,231** | **$ 6,530** | **$ 2,409,857** | **$ 1,958,620** | — | — |
| | **Year to date** | **$ 47,751** | **$ 44,406** | **$15,766,431** | **$15,069,212** | — | — |

# About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

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# Contributors

**GROUP I**

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*†
Manufacturers Life
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†

**GROUP II**

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

**GROUP III**

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data

†Company is included in product market share chart

Companies contributing group data only: Ætena-Vie and Laurentian/Imperial

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# QUARTERLY SURVEY OF INDIVIDUAL ANNUITIES IN CANADA

## Second Quarter Sales

### Accumulation Annuities

| | RRSPs (Registered Retirement Savings Plans) | | | Nonregistered | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| Number of new contracts (17 cos.) | | | | | | |
| 1st quarter | 66,021 | 85,971 | 130% | 5,959 | 8,528 | 143% |
| 2nd quarter | 20,304 | 26,023 | 128 | 5,188 | 6,188 | 119 |
| 3rd quarter | 15,381 | | | 5,034 | | |
| 4th quarter | 22,838 | | | 8,252 | | |
| Year to date | 86,325 | 111,994 | 130% | 11,147 | 14,716 | 132% |
| Premiums* (18 cos.) | | | | | | |
| 1st quarter | $640,641,794 | $ 829,922,297 | 130% | $131,938,974 | $193,112,378 | 146% |
| 2nd quarter | 311,500,442 | 376,421,260 | 121 | 113,264,537 | 140,683,592 | 124 |
| 3rd quarter | 240,487,262 | | | 105,463,356 | | |
| 4th quarter | 310,017,598 | | | 160,810,145 | | |
| Year to date | $952,142,236 | $1,206,343,557 | 127% | $245,203,511 | $333,795,970 | 136% |
| Number of payments* (11 cos.) | | | | | | |
| 1st quarter | 240,587 | 257,738 | 107% | 32,685 | 40,965 | 125% |
| 2nd quarter | 151,704 | 170,517 | 112 | 35,034 | 40,110 | 114 |
| 3rd quarter | 148,591 | | | 33,415 | | |
| 4th quarter | 161,528 | | | 38,561 | | |
| Year to date | 392,291 | 428,255 | 109% | 67,719 | 81,075 | 120% |

*New and existing contracts

### Payout Annuities – Life

| | RRSP Income | | | Nonregistered | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| New contracts (17 cos.) | | | | | | |
| 1st quarter | 5,378 | 3,998 | 74% | 860 | 1,383 | 161% |
| 2nd quarter | 3,795 | 3,056 | 81 | 873 | 1,345 | 154 |
| 3rd quarter | 3,052 | | | 1,043 | | |
| 4th quarter | 4,296 | | | 2,311 | | |
| Year to date | 9,173 | 7,054 | 77% | 1,733 | 2,728 | 157% |
| Premiums (18 cos.) | | | | | | |
| 1st quarter | $147,359,534 | $124,309,798 | 84% | $32,519,391 | $53,756,346 | 165% |
| 2nd quarter | 118,995,690 | 99,715,732 | 84 | 37,030,173 | 41,040,336 | 111 |
| 3rd quarter | 99,583,849 | | | 42,554,418 | | |
| 4th quarter | 156,169,147 | | | 95,895,372 | | |
| Year to date | $266,355,224 | $224,025,530 | 84% | $69,549,564 | $94,796,682 | 136% |

| | RRSP Income by Source | | | | | |
|---|---|---|---|---|---|---|
| | Internal transfers | | | External money | | |
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| Premiums (11 cos.) | | | | | | |
| 1st quarter | $22,568,899 | $20,494,090 | 91% | $45,542,576 | $56,105,819 | 123% |
| 2nd quarter | 28,097,214 | 16,703,176 | 59 | 38,015,874 | 43,485,158 | 114 |
| 3rd quarter | 18,801,355 | | | 34,301,743 | | |
| 4th quarter | 28,294,538 | | | 69,994,588 | | |
| Year to date | $50,666,113 | $37,197,266 | 73% | $83,558,450 | $99,590,977 | 119% |

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## Payout Annuities – Certain

| | RRSP Income | | | Nonregistered | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| New contracts (16 cos.) | | | | | | |
| 1st quarter | 169 | 129 | 76% | 321 | 649 | 202% |
| 2nd quarter | 114 | 163 | 143 | 384 | 599 | 156 |
| 3rd quarter | 95 | | | 530 | | |
| 4th quarter | 169 | | | 1,420 | | |
| Year to date | 283 | 292 | 103% | 705 | 1,248 | 177% |
| Premiums (17 cos.) | | | | | | |
| 1st quarter | $5,701,698 | $4,315,049 | 76% | $19,988,242 | $26,713,171 | 134% |
| 2nd quarter | 3,612,846 | 4,535,911 | 126 | 17,658,734 | 28,910,469 | 164 |
| 3rd quarter | 3,647,403 | | | 23,845,502 | | |
| 4th quarter | 6,010,593 | | | 71,867,650 | | |
| Year to date | $9,314,544 | $8,850,960 | 95% | $37,646,976 | $55,623,640 | 148% |

| | RRSP Income by Source | | | | | |
|---|---|---|---|---|---|---|
| | Internal transfers | | | External money | | |
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| Premiums (10 cos.) | | | | | | |
| 1st quarter | $ 639,958 | $ 507,736 | 79% | $2,753,031 | $2,937,140 | 107% |
| 2nd quarter | 930,285 | 714,360 | 77 | 1,481,305 | 1,659,632 | 112 |
| 3rd quarter | 898,461 | | | 1,463,928 | | |
| 4th quarter | 1,968,395 | | | 2,995,387 | | |
| Year to date | $1,570,243 | $1,222,096 | 78% | $4,234,336 | $4,596,772 | 109% |

## Registered Retirement Income Funds

| | New contracts (12 companies) | | | Premiums (13 companies) | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | 88/87 | 1987 | 1988 | 88/87 |
| 1st quarter | 751 | 2,511 | 334% | $ 45,769,101 | $126,884,290 | 277% |
| 2nd quarter | 668 | 2,074 | 310 | 35,082,174 | 100,326,559 | 286 |
| 3rd quarter | 877 | | | 38,904,491 | | |
| 4th quarter | 1,874 | | | 100,878,792 | | |
| Year to date | 1,419 | 4,585 | 323% | $ 80,851,275 | $227,210,849 | 281% |

## Contributors

Canada Life
Confederation Life
Crown Life
Great-West Life
Imperial Life of Canada
Industrielle – Alliance Vie
La Laurentienne
London Life
Manufacturers Life
Metropolitan Life
Mutual Life of Canada
National Life of Canada
New York Life
North American Life (Canada)
Prudential Life of England
Prudential of America
Standard Life (Canada)
State Farm Life
Sun Life of Canada
Transamerica Occidental Life
Zurich Life of Canada

## About the Survey

This survey shows the Canadian annuity sales activity of 21 companies. Data listed for previous quarters have been revised to incorporate revisions in company data and to include previously unavailable data.

The data are separated into accumulation and payout annuities. The accumulation section shows the number of payments and premiums on new and existing contracts for RRSP and nonregistered annuities, as well as the number of new contracts. The payout section is divided into life and certain only annuities and registered retirement income funds (RRIFs). New contracts and premiums paid are shown for RRSP income and nonregistered contracts, as well as for RRIFs. The split between internal transfers and external money is shown for companies that are able to provide the source of RRSP income premiums.

Some contributors are unable to provide data for all categories; therefore, each category lists the number of contributors able to provide data.

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# SUPPLEMENT TO MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

## New Individual Life Sales in Quebec

As a result of an increasing number of requests from survey participants, LIMRA will publish a supplement that tracks sales in Quebec on a semiannual basis. The following tables show Quebec sales activity for 20 contributors. Total premium sales for these companies represent 61 percent of 1988 year-to-date monthly survey results. A confidential report listing individual company Quebec sales data will be distributed only to these twenty companies.

| | Annualized premium (000) | | | Face amount (000) | | | Number of policies | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| First half | $ 49,947 | $50,793 | 102% | $ 8,617,317 | $8,721,827 | 101% | $136,324 | $126,809 | 93% |
| Second half | 54,230 | | | 9,065,096 | | | 136,804 | | |
| Year total | $104,177 | | | $17,682,413 | | | $273,128 | | |

| | Premium per $1,000 | | Average size policy | | Premium per policy | |
|---|---|---|---|---|---|---|
| | Total 1987 | Jan.-June 1988 | Total 1987 | Jan.-June 1988 | Total 1987 | Jan.-June 1988 |
| Quebec | $5.89 | $5.82 | $64,740 | $68,779 | $381 | $401 |
| Non-Quebec | $7.70 | $7.46 | $80,190 | $84,945 | $617 | $634 |

## Quebec Market Share of 20 Companies

| Annualized premium (000) | | Face amount (000) | | Number of policies | |
|---|---|---|---|---|---|
| Total 1987 | Jan.-June 1988 | Total 1987 | Jan.-June 1988 | Total 1987 | Jan.-June 1988 |
| 32% | 31% | 38% | 37% | 43% | 42% |

*continued*

## Contributing Companies

Assurance-Vie Desjardins
Canada Life
COLONIA Life
Commercial Union Life of Canada
Confederation Life
Crown Life
Financial Life of Canada
Imperial Life of Canada
Industrial-Alliance Life (includes North West Life of Canada)
La Laurentienne
London Life
Manufacturers Life
Metropolitan Life (includes Metropolitan Life of Canada)
New York Life (includes New York Life of Canada)
North American Life (Canada)
La Sauvegarde
La Solidarite
Sun Life of Canada
L'Union-Vie
Zurich Life of Canada